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**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the Matter of )  
 )  
Implementation of the Local ) CC Docket 96-98  
Competition Provisions in the )  
Telecommunications Act of 1996 )

To: The Commission

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**COMMENTS OF THE  
AMERICAN MOBILE TELECOMMUNICATIONS ASSOCIATION, INC.  
ON THE NOTICE OF PROPOSED RULE MAKING**

Respectfully submitted,

AMERICAN MOBILE TELECOMMUNICATIONS  
ASSOCIATION, INC.

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May 16, 1996

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<sup>2</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 ("1996 Act").

## I. INTRODUCTION

AMTA is a nationwide, non-profit trade association dedicated to the interests of the specialized wireless communications industry.<sup>3</sup> The Association's members include trunked and conventional 800 MHz and 900 MHz SMR operators, licensees of wide-area SMR systems, and commercial licensees in the 220 MHz band. These members provide commercial wireless services throughout the country. Many offer interconnection with the public switched telephone network in conjunction with more traditional two-way dispatch services. Thus, they have a significant interest in the outcome of this proceeding, at least to the extent that it addresses issues relating to interconnection obligations of local exchange carriers ("LECs") vis-a-vis wireless operators, including both Commercial Mobile Radio Services ("CMRS") licensees and Private Mobile Radio Service ("PMRS") licensees. The Association has already submitted comments on the appropriate interconnection arrangements between local exchange carriers ("LECs") and commercial wireless providers in an earlier FCC proceeding, and incorporated those comments in the instant proceeding by reference.<sup>4</sup>

## II. DISCUSSION

### A. Consistent with the 1996 Act, the FCC Should Expedite Unbundling of the LEC Network.

The 1996 Act and this Notice are the initial steps in the fundamental restructuring of the local telecommunications infrastructure of this nation to create a more competitive, innovative,

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<sup>3</sup> These entities had been classified as private carriers prior to the 1993 amendments to the Communications Act. See Omnibus Budget Reconciliation Act of 1993, Pub. L. No. 103-66, Title VI § 6002(b), 107 Stat. 312, 392 ("Budget Act")

<sup>4</sup> See Comments of the American Mobile Telecommunications Association, Inc., Notice of Proposed Rulemaking, CC Docket No. 95-185, FCC 95-505 (released January 11, 1996)

feature-rich, consumer-oriented local telecommunications marketplace. However, these actions are further steps in a revolution initiated several decades ago when the FCC first permitted competition in the heretofore monopolistic long distance market, a revolution advanced by the breakup of the AT&T network, and the subsequent restructuring of the wireless industry in the Budget Act. AMTA agrees fully with the FCC's assessment that:

...removing legal and regulatory barriers to entry and reducing economic impediments to entry will enable competitors to enter markets freely, encourage technological developments, and ensure that a firm's prowess in satisfying consumer demand will determine its success or failure in the marketplace. Notice at ¶ 1.

The accuracy of that analysis already has been confirmed in both the long distance and wireless segments of the broader telecommunications marketplace. Its application in the local exchange portion of this industry should prove equally pro-competitive.

Moreover, Congress and the Commission have correctly determined that LEC interconnection obligations are key to achieving that goal. A closed LEC network can effectively prevent competition if incumbents are permitted to refuse to arrange for the mutual transport and termination of calls from other carriers, or agree to transport and termination only on economically unreasonable terms. Because the LECs are the building blocks of our telecommunications infrastructure, because virtually all calls originate or terminate or both at a LEC subscriber, prospective competitors must have access to that network on reasonable terms and conditions if alternative local services are to reach their full potential.

For this reason, AMTA recommends that the FCC move promptly to adopt rules which will lead expeditiously to the unbundling of the LEC network. In conjunction with the requirement that network elements be offered on an unbundled basis, the Association also

supports adoption of rules that will require reciprocal compensation arrangements for the transport and termination of calls on terms that are just, reasonable and cost-based.

AMTA further recommends that interconnection be permitted at any and all technically feasible points in the network. Different telecommunications carriers will make independent determinations regarding the optimal point or points at which they desire to interconnect with the LEC.<sup>5</sup> These decisions will be dictated by technological and marketplace developments, both of which are continuously evolving in this highly dynamic marketplace. Those determinations must be left to the party securing interconnection capability, not dictated either by the LEC itself or by regulatory fiat, if the rich promise of those developments is to be attained.

B. The Commission Should Adopt Federal Policies and Standards for the Unbundled Network Elements.

AMTA has already described in detail the necessity of adopting national policies with respect to interconnection obligations between LECs and wireless operators.<sup>6</sup> The Association has explained that the interrelationship between intrastate and interstate communications in a mobile environment dictates that interconnection rights and obligations be determined pursuant to a comprehensive, national regulatory scheme. The difficulties and complexities of negotiating such arrangements in the multitude of jurisdictions and with the multiplicity of LEC providers that may comprise the geographic scope of a single wireless network will prove a formidable, and could prove an insurmountable, barrier to the development of at least some such offerings.

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<sup>5</sup> Some SMRs may elect to continue to subscribe to LEC service as traditional business customers, rather than as telecommunications or other types of "peer" carriers. That option should be retained.

<sup>6</sup> See Note \_\_\_\_.

For this reason, AMTA recommends strongly that the FCC adopt a single, Federal standard relating to LEC interconnection rights and obligations, including policies governing how the network elements should be unbundled. This approach will simplify what, under any circumstances, will prove a complex undertaking and will better ensure that start-up competitors, whether wireline or wireless, local or interexchange, will not be disadvantaged by unnecessarily burdensome regulatory requirements.

Finally, AMTA urges the Commission to reaffirm the continuing applicability of Section 332 of the Act, 47 U.S.C. § 332, as it relates to state jurisdiction over CMRS operations. Whether the Commission adopts a unified Federal interconnection policy, or elects to allow greater state participation, it cannot permit the express Congressional pre-emption of state regulation of CMRS rates and entry to be vitiated indirectly by virtue of CMRS operators exercising their rights to interconnection with the LEC pursuant to Section 251 of the 1996 Act. Such a result was not intended by Congress and must be rejected by the Commission.

### **III CONCLUSION**

For the reasons described above, AMTA urges the Commission to proceed expeditiously to adopt rules in this proceeding consistent with the comments herein.

## **CERTIFICATE OF SERVICE**

I, Linda J. Evans, a secretary in the law office of Lukas, McGowan, Nace & Gutierrez, hereby certify that I have, on this 16th day of May, 1996, hand delivered, a copy of the foregoing Comments to the following:

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